RADIOCENTRE

Radio and the Road Ahead:

How radio road trips can help brands to tap into returning consumer confidence and drive sales

Summary

*2021 is set to see a **summer of car journeys and increased spending**. Radio advertising will offer more opportunities to connect*

As lockdown restrictions began to be relaxed, and life started to return to normal, Radiocentre partnered with DRG to explored consumer attitudes and planned behaviour resulting from this post-pandemic effect. It's clear that people are keen to resume activities that were part of their lives pre-COVID.

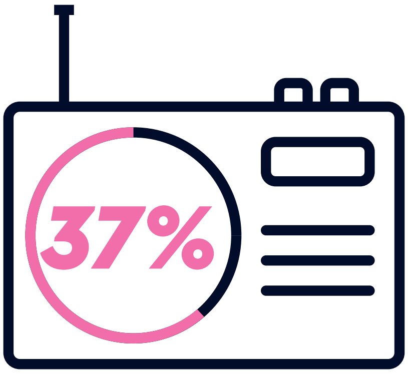
For many, home-working will remain part of their life. However, in parallel with greater freedom to travel, people plan to make more car journeys where possible, opening up opportunities for advertisers to engage with them via Commercial radio.

- *People are eager to get out to spend their money, enjoying days out and holidays in the UK*
- *A strong desire remains to support local businesses and shop local*
- *With underlying concerns remaining around public transport, the car will provide many with the easiest and safest travel option, whatever their plans*
- *During these frequent car journeys (for a broad range of purposes) the radio will provide a great opportunity for advertisers*
- *Commercial Radio Listeners tune in during car journeys and are receptive. They can be reached at a time when they in a positive mindset, heading out for enjoyable activities*
- *Motoring is on the minds of Commercial Radio Listeners, with many planning to make a car related purchase in the immediate future*

RADIOCENTRE

Since restrictions began in 2020, more than a third of **commercial radio listeners have consistently tuned in for longer**

% Consuming more/a lot more RADIO during recent lockdown vs pre-pandemic times



Commercial Radio Listeners who are listening more are tuning in for an additional 1 hour 38 mins/day

The Road Ahead (April/May 2021)

Total sample: ***1550 adults (16+ split/matched nat rep)***
Fieldwork dates ***23rd – 29th April***

1,080
Commercial Radio Listeners
Nat Rep

470
Non-listeners to Commercial Radio
Nat Rep

Q: Here is a list of media formats. Are you spending more or less time with them since the most recent lockdown started, compared to pre-pandemic times?
Base: Commercial Radio Listeners (1,080)

Q . How much more time are you spending listening to the radio each day?
Base: All Commercial Radio Listeners who have spent more time listening (396)"

Source: DRG/Radiocentre 2021

The return of the confident consumer...

Most people have already been/are planning to get vaccinated

% agree/strongly agree with each statement

79%

have already had/will get the Covid-19 vaccine as soon as possible

58%

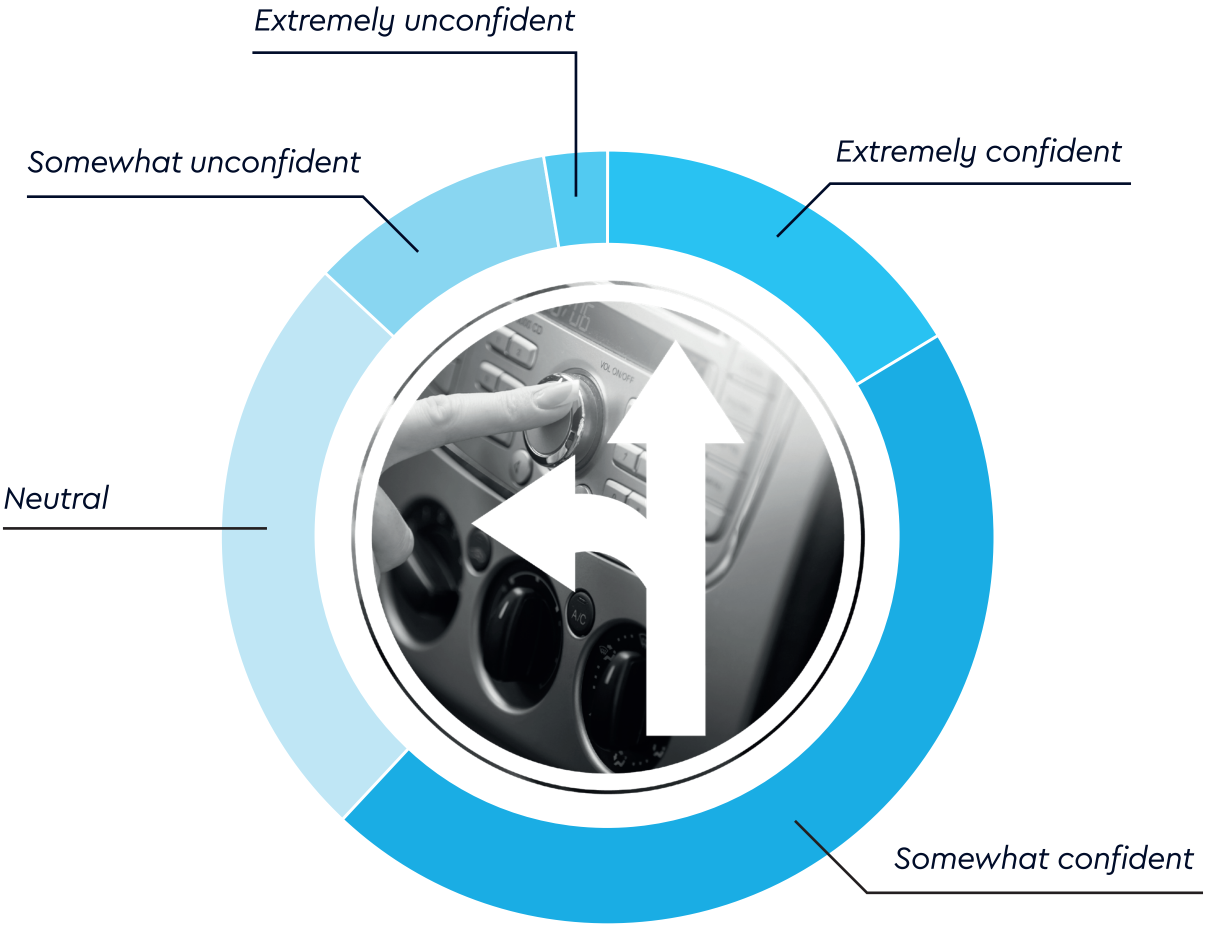
are likely to get a covid-19 e-vaccination immunity passport

Q: To what extent do you agree or disagree with the following statements? (5 point agreement scale)
Base: Total Sample (1,550)
Source: DRG/Radiocentre 2021

Confidence is high that pre-covid activities will resume soon

% Confidence levels in resuming pre-covid activities as vaccination numbers grow

All adults



62%

Confident

Q: As more people in the UK are being vaccinated, how confident do you feel about resuming your pre-covid level activities during the upcoming months and into summer?
Base: Total Sample (1,550)

Source: DRG/Radiocentre 2021

The spending intentions of the confident consumer

Spending is likely to return rapidly…

'As restrictions lift, people are expected to return to spending and socialising. But how quickly and how much?

<u>Two reasons</u> lead me to expect the turn in sentiment, spending and the economy to be rapid – a light-switch being flicked rather than a dimmer-switch being turned.'

Andy Haldane
Chief Economist at the Bank of England (Feb 2021)

Two Reasons:
1. Household finances
2. Household psychology

Many have saved money *during the pandemic*

% agree/strongly agree with each statement

21%

Are worried about their job security vs 31% August 2020

39%

Are more concerned about finances because of the pandemic

46%

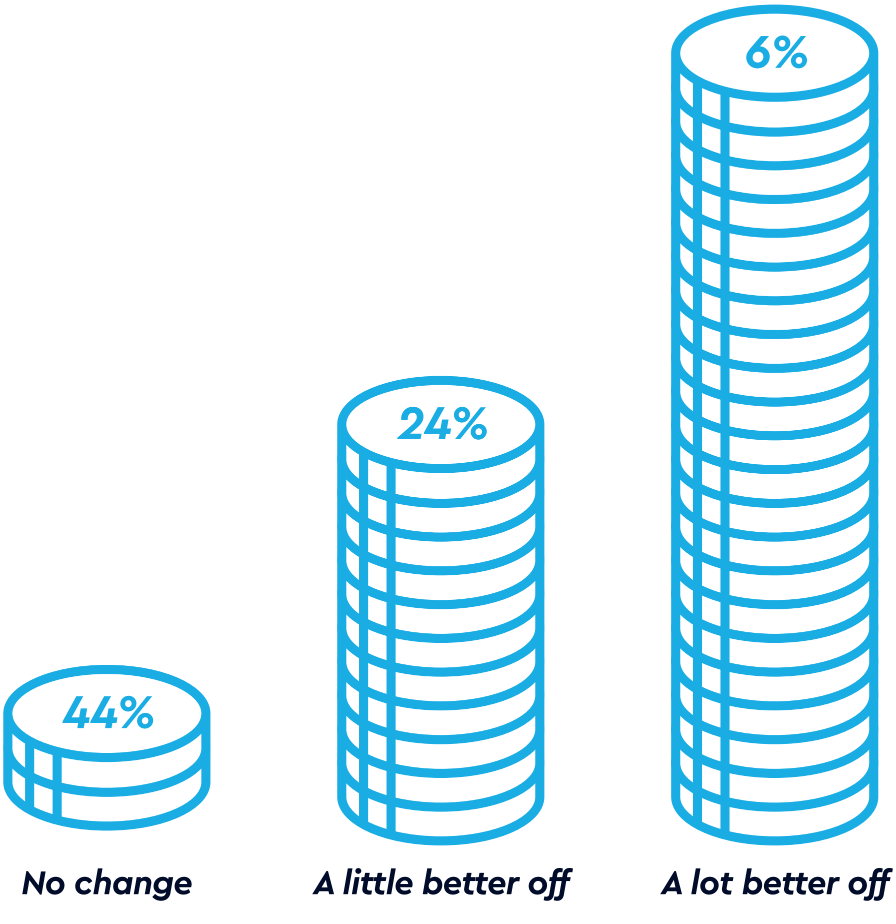
Have saved money since the Coronavirus pandemic began

Q: To what extent do you agree or disagree with the following statements? (5 point agreement scale)
Base: Total Sample (1,550)

Source: DRG/Radiocentre 2021

Around **three-quarters** feel that their personal finances are as good as, or better than, the same time last year

% feel financially better off/no change compared to last year



A **combined** total of 74%

Q: Compared to this time last year, do you feel that you are financially better or worse off?
Base: Total Sample (1,550)

Source: DRG/Radiocentre 2021

*There is a desire, especially among commercial radio listeners, to **support local businesses***

% agree/strongly agree

	% agree/strongly agree	Index (base = 100) Non CRL	CRL
I look forward to returning to my local high street again	58%	85.9	106.1
I've been trying harder to support local businesses since the Coronavirus pandemic began	48%	88.8	104.8
I intend to prioritise purchasing more of my shopping (i.e. groceries, general retail) locally	43%	94.5	102.5
I feel more receptive to advertising by local businesses these days	32%	95.0	102.2
I prefer to buy from independents rather than chain shops	32%	88.2	105.3

Q: To what extent do you agree or disagree with the following statements? (5 point agreement scale)
Base: Total Sample (1,550), Non CRL (470), CRL (1,080)

Source: DRG/Radiocentre 2021

People are looking forward to spending money again*; notably on socialising & travel*

% agree/strongly agree

Leisure & Entertainment

Restaurants	Socialising in bars/pubs/ nighclubs	Indoor entertainment events (e.g. gigs, theatre, cinema)	Outdoor entertainment (e.g. festivals, theme parks)
52%	35%	31%	24%

Indoor activities (e.g. bowling, arcades, soft play)	Takeaways	Gambling (e.g. bingo, casinos, betting shops
14%	13%	4%

Travel

Travel – Domestic	Travel – International
41%	31%

Q: Following lockdown relaxation, many products and services that have been unavailable/difficult to find will become readily available again. Which are you most looking forward to spending money on again in the immediate future? Please select 5.
Base: Total Sample (1,550)

Source: DRG/Radiocentre 2021

People are looking forward to spending money again*; notably on personal grooming and DIY*

% agree/strongly agree

Fashion, Beauty & Well-being

Clothes & footwear	Beauty treatments (hairdressing, manicures, spas)	Exercise (e.g. gyms, climbing centres, swimming baths)	Beauty & cosmetic products
30%	25%	16%	10%

Home & Tech

DIY & gardening products	Technology	Furniture
22%	13%	7%

Q: Following lockdown relaxation, many products and services that have been unavailable/difficult to find will become readily available again. Which are you most looking forward to spending money on again in the immediate future? Please select 5.
Base: Total Sample (1,550)

Source: DRG/Radiocentre 2021

Commercial Radio Listeners are almost **twice as likely to purchase a car** in the near future

% planning to do each following lockdown relaxation

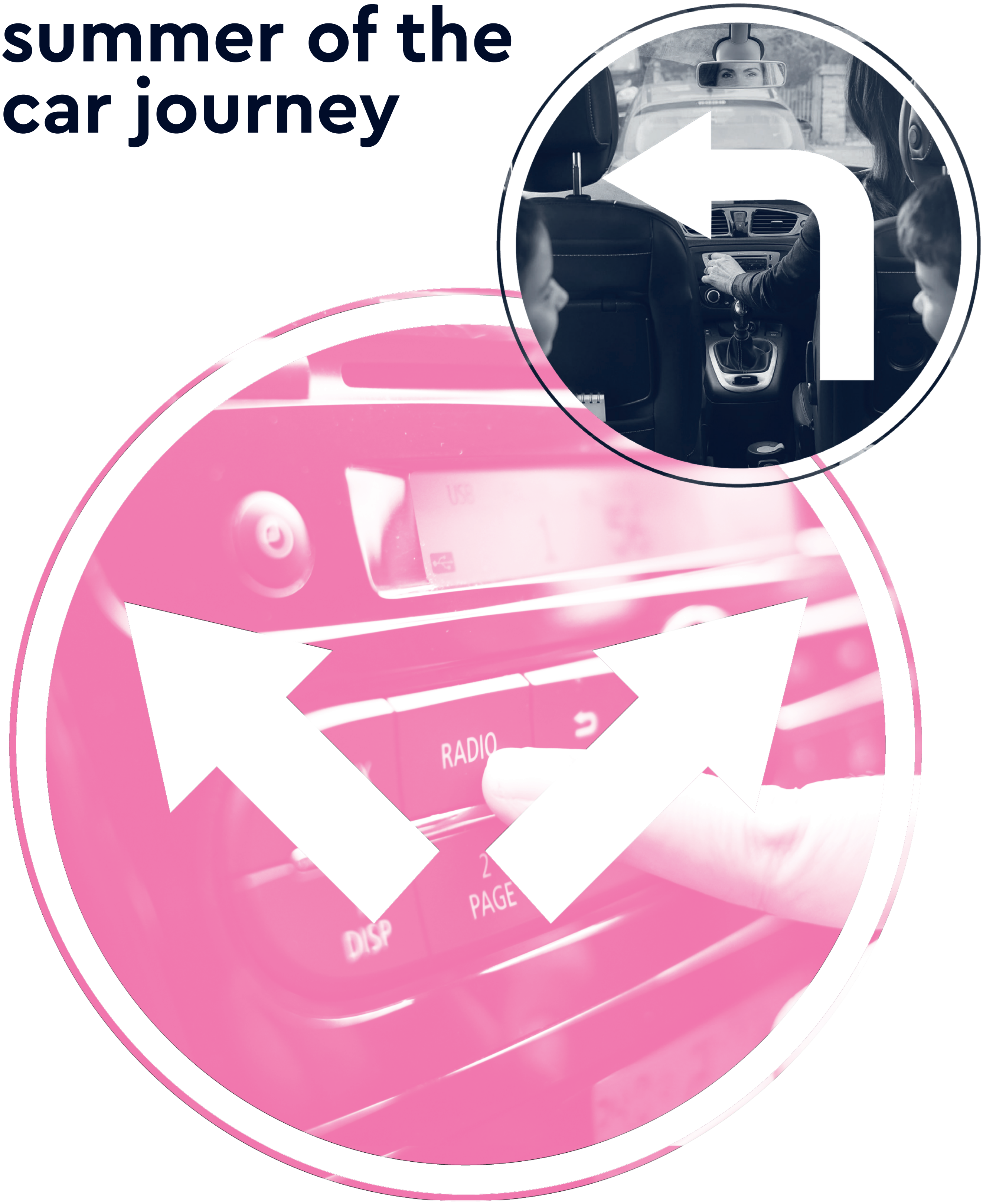
16.7%

of adults are planning to buy or lease a car (petrol/diesel/hybrid/electric) ***in the next 3 months***

That increases to ***18.9%*** *amongst the Commercial Radio Audience (index 113) and drops to* ***11.7%*** *amongst the Non-commercial Radio Audience (Index 70)*

Q: Following lockdown relaxation, are you planning to do any of the following in the next 3 months?
Base: Total Sample (1,550), Non CRL (470), CRL (1,080)
Source: DRG/Radiocentre 2021

2021: the summer of the car journey



As car journeys set to surge, commercial radio delivers access to consumers beyond other media

***13M** commercial radio listeners tune in daily in their car*

Source: IPA Touchoints 2021

The signs point towards a summer of enjoying all that the UK has to offer

Forecast Domestic Tourism Spending – Britain 2021

*As **62%** feel confident that the country will shortly see a return to pre-covid activities as vaccination numbers grow, the car could factor heavily in to summer plans*

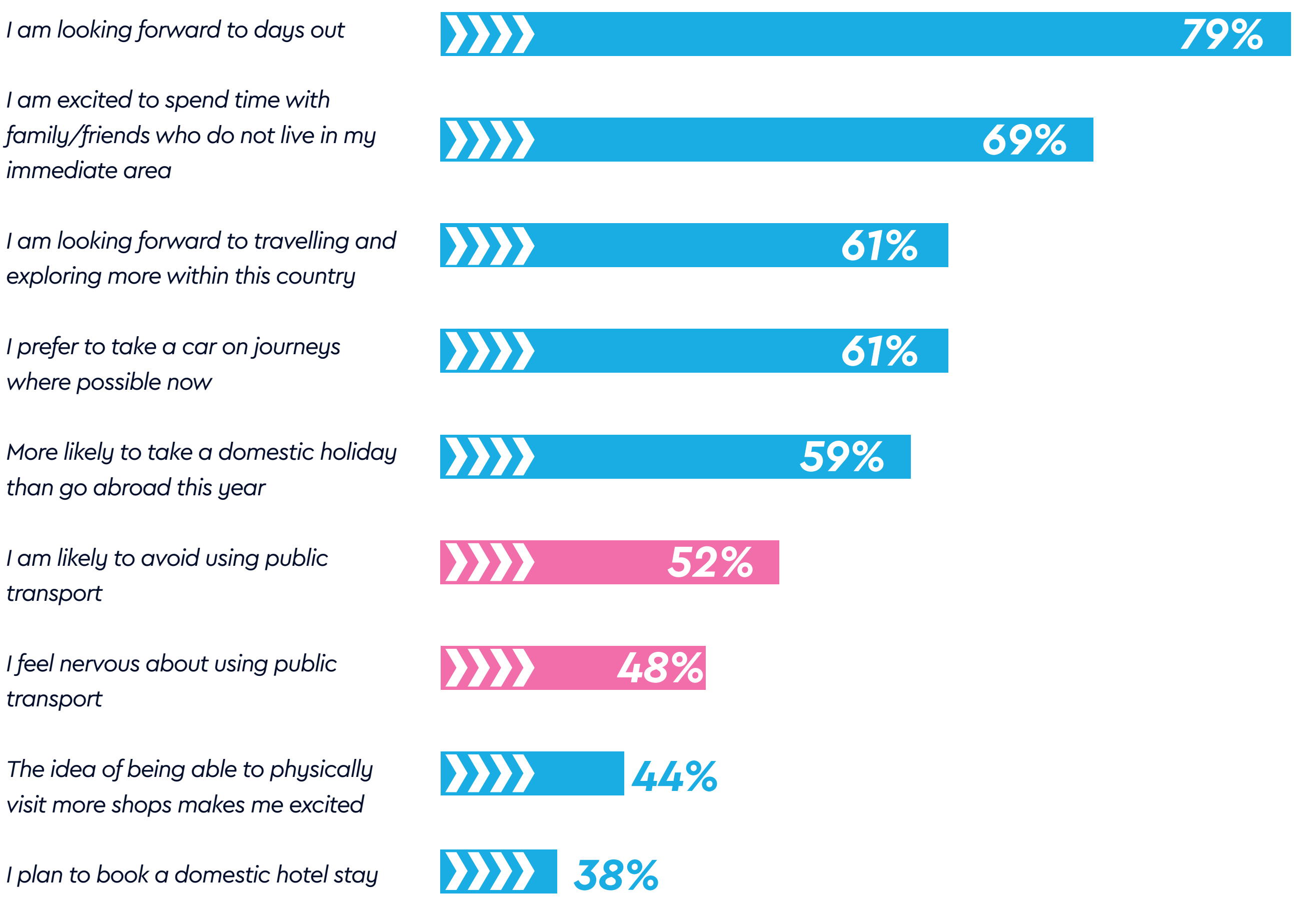
Source: Visit Britain 2021 Tourism Forecast

Q: As more people in the UK are being vaccinated, how confident do you feel about resuming your pre-covid level activities during the upcoming months and into summer? Base: Total Sample (1,550)

Source: DRG/Radiocentre 2021

People are planning to take advantage of lockdown relaxation to see places and people within the country. **As uncertainty remains around public transport, the car will provide a strong option for travel**

%Agree/Strongly Agree (5 point scale)



Q: Here are some statements people have made about their current feeling towards travel. To what extend do you agree? (5 point agreement scale)
Base: Total Sample (1,550)

Source: DRG/Radiocentre 2021

Commercial radio listeners with cars in their households anticipate that regular use will continue, with **growth in daily use**

Car use – Commercial Radio Listeners

Last *3 months*

93.7%

At least once a week

48.3%

At least once a day

Next *3 months*

93.9%

At least once a week

53.9%

At least once a day

Q: How often has the car in your household been used during the last 3 months? Q: How often do you think the car in your household will be used during the next 3 months?
Base: Total Commercial Radio Listeners with access to a car in HH (971)

Source: DRG/Radiocentre 2021

Commercial radio listeners are more likely to increase their car use for domestic leisure activities, including staycations

% who believe they will use a car ***more for travel related activities*** *in the next 3 months vs past 3 months*

A domestic holiday/staycation

Non-commercial Radio Listeners	Commercial Radio Listeners
29%	**33%** (+ 14%)

Days out

Non-commercial Radio Listeners	Commercial Radio Listeners
44%	**48%** (+ 9%)

Trips to visit family/friends

Non-commercial Radio Listeners	Commercial Radio Listeners
39%	**44%** (+ 13%)

Leisure (i.e. for exercise)

Non-commercial Radio Listeners	Commercial Radio Listeners
32%	**39%** (+ 22%)

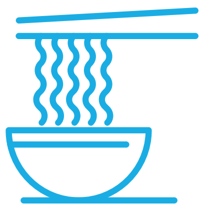
Q: During the next 3 months, how often do you believe you will use a car for the following activities in comparison to during the past 3 months? Base: Total Sample with access to a car in HH (1,348), Non CRL (376), CRL (971)

Source: DRG/Radiocentre 2021

Commercial radio listeners will **continue to drive for dining purposes**

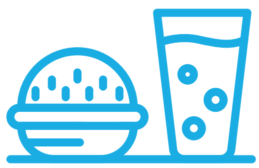
*% <u>more likely</u> to use a car for **dining** purposes in the next 3 months vs past 3 months*

To a restaurant or café for a sit down meal



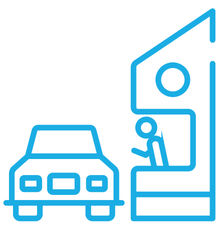
Non-commercial Radio Listeners	Commercial Radio Listeners
27%	**36%** (+ 33%)

To a fast food venue for a sit down meal



Non-commercial Radio Listeners	Commercial Radio Listeners
11%	**22%** (+ 100%)

To a drive through restaurant



Non-commercial Radio Listeners	Commercial Radio Listeners
11%	**14%** (+ 27%)

For non-grocery retail

Non-commercial Radio Listeners	Commercial Radio Listeners
27%	**34%**

Q: During the next 3 months, how often do you believe you will use a car for the following activities in comparison to during the past 3 months?
Base: Total Sample with access to a car in HH (1,348), Non CRL (376), CRL (971)

Source: DRG/Radiocentre 2021

Using radio to connect with the confident consumer on the road ahead

More and longer car journeys mean greater availability to listen. As restrictions have relaxed, ***radio listening in-vehicle is increasing***

W3 Covid Study (August 2020)

58%

...of commercial radio listeners claim to listen to the radio in the car

+12%

The Road Ahead (April/May 2021)

65%

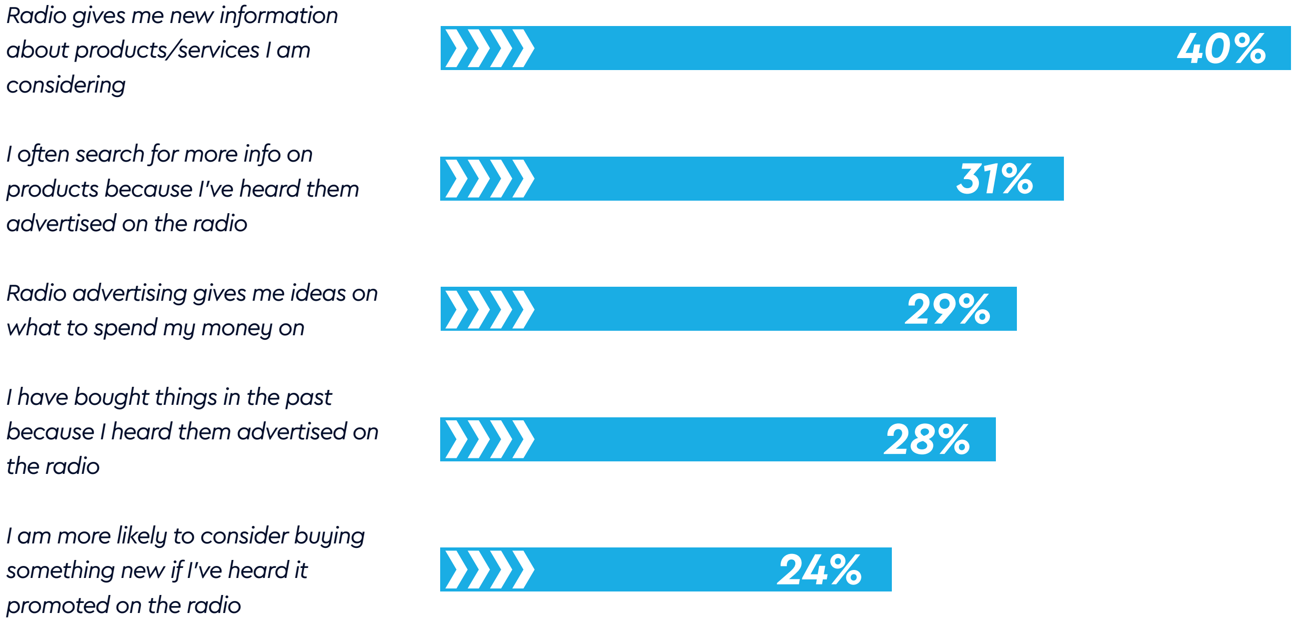
...of commercial radio listeners claim to listen to the radio in the car

Q: Where do you listen to the radio? Base = Commercial Radio Listeners (1,080)". W3 = Commercial Radio Listeners (711)

Source: DRG/Radiocentre 2021

Commercial radio listeners are open to and **responsive to radio advertising**

Commercial radio listeners – %Agree/disagree with each statement (5 point scale)



Q: Here are some things people have said about how radio advertising can influence their decisions on what to buy. To what extent do the following match your own views?
Base: Commercial Radio Listeners (1,080)

Source: DRG/Radiocentre 2021

2021 is set to see a ***summer of car journeys and increased spending.*** *Radio advertising will offer more opportunities to connect*

RADIOCENTRE